

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WARREN COUNTY WATER)
DISTRICT, WARREN COUNTY, KENTUCKY, (A))
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY, PURSUANT TO KRS 278.020 AND)
278.023, AUTHORIZING SAID DISTRICT TO)
CONSTRUCT IMPROVEMENTS AND EXTENSIONS)
TO ITS EXISTING SEWER SYSTEM, WHICH)
IMPROVEMENTS AND EXTENSIONS WILL BE)
FINANCED IN WHOLE OR IN PART UNDER THE)
TERMS OF AN AGREEMENT BETWEEN THE WATER)
DISTRICT AND THE U. S. FARMERS HOME)
ADMINISTRATION; (B) FOR AUTHORITY TO)
ISSUE CERTAIN SECURITIES AS REQUIRED BY)
KRS 278.300; AND (C) FOR APPROVAL OF)
SEWER RATES AND CHARGES)

CASE NO. 93-289

O R D E R

On August 16, 1993, Warren County Water District ("Warren") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,740,000 sewer improvement project, for approval of its plan of financing for this project, and for adjustments to its sewer service rates. This project will provide sewer service to 361 additional customers. Project funding includes a \$761,000 loan from the Farmers Home Administration ("FmHA"), a \$750,000 Community Development Block Grant from the U. S. Department of Housing and Urban Development ("HUD"), \$100,000 from the city of Smiths Grove, and \$129,000 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

Warren's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and FmHA or HUD and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on August 16, 1993, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Warren is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Warren's proposed plan of financing with FmHA and HUD is accepted.

3. Warren shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

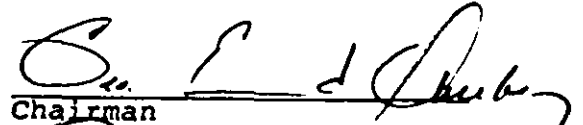
4. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

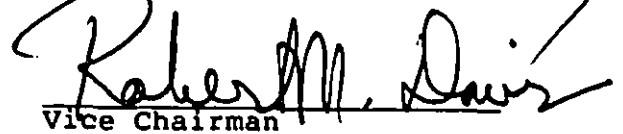
5. Warren shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

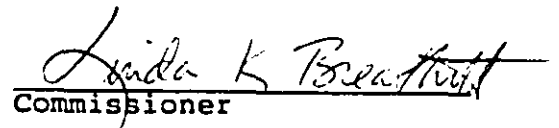
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 9th day of September, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-289 DATED SEPTEMBER 9, 1993.

The following rates and charges are prescribed for the customers in the area served by Warren County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Sewer Rates For Existing Users

First 2,000 gallons	\$8.12 Minimum Bill
Next 6,000 gallons	3.26 per 1,000 gallons
Next 12,000 gallons	2.07 per 1,000 gallons
Next 80,000 gallons	1.68 per 1,000 gallons
All Over 100,000 gallons	1.06 per 1,000 gallons

<u>Meter Size</u>		<u>Minimum Bill</u>
5/8 Inch	First 2,000 gallons	\$ 8.12
3/4 Inch	First 3,000 gallons	11.38
1 Inch	First 5,000 gallons	17.90
1 1/2 Inch	First 10,000 gallons	31.82
2 Inch	First 16,000 gallons	44.24
3 Inch	First 30,000 gallons	69.32
4 Inch	First 50,000 gallons	102.92
6 Inch	First 100,000 gallons	186.92

Sewer Rates For Smiths Grove Project

First 2,000 gallons	\$14.56 Minimum Bill
Next 6,000 gallons	3.43 per 1,000 gallons
Next 12,000 gallons	3.23 per 1,000 gallons
Next 80,000 gallons	2.63 per 1,000 gallons
All Over 100,000 gallons	1.83 per 1,000 gallons

<u>Meter Size</u>		<u>Minimum Bill</u>
5/8 Inch	First 2,000 gallons	\$ 14.56
3/4 Inch	First 3,000 gallons	17.99
1 Inch	First 5,000 gallons	24.85
1 1/2 Inch	First 10,000 gallons	41.60
2 Inch	First 16,000 gallons	60.98
3 Inch	First 30,000 gallons	100.20
4 Inch	First 50,000 gallons	152.80
6 Inch	First 100,000 gallons	284.30